



**Hecla Mining Company's Response
United States Environmental Protection Agency Region 8
Request for Information
Gilt Edge Mine Site – Lawrence County, South Dakota
May 26, 2011**

Sharon Abendschan, Enforcement Specialist
U.S. EPA Region 8
Technical Enforcement Program, 8 ENF-RC
1595 Wynkoop Street
Denver, CO 80202-1129

Re: *Response to April 8, 2011 Request for Information Pursuant to CERCLA
Section 104(e); Gilt Edge Mine Site, Lawrence County, South Dakota*

Dear Ms. Abendschan:

Hecla Mining Company ("Hecla") is responding to the United States Environmental Protection Agency's ("EPA") April 8, 2011 Request for Information for the Gilt Edge Mine Site (the "Site"), Lawrence County, South Dakota (the "Request"). Hecla's specific responses to EPA's Request are set forth below.

Documents responsive to the Request are enclosed with these responses. Hecla has made a good faith effort to locate documents that may be responsive to the Request. Due to breadth of EPA's Request, Hecla does not represent that every document possibly responsive to these requests has been located. In the event that additional responsive documents in Hecla's possession as of the date of the Request are located, they will be made available to the EPA. Certain documents provided with these Responses have been marked "Business Confidential" in accordance with 40 C.F.R. Part 2, Subpart B. These documents are confidential and should be treated as such on a permanent basis. Hecla has taken all reasonable measures to ensure that, to the fullest extent practicable, these documents have not been disclosed to third parties; Hecla has kept these documents in its custody and maintained their confidentiality in accordance with standard business practices.

In addition to requesting information pursuant to section 104(e) of CERCLA, EPA has provided Hecla Limited's subsidiary, CoCa Mines, Inc., with a General Notice Letter explaining that it believes CoCa may be liable under section 107(a) of CERCLA as an "owner/operator" at the time hazardous substances were disposed of at the Gilt Edge Site. Hecla denies that it has any liability relating to any releases or threatened releases at the Site,

or any liability based on the actions of CoCa Mines, Inc. These responses and the documents provided with these responses do not constitute an admission by Hecla of liability with respect to the Gilt Edge Mine Site, nor any admission or representation concerning the conditions on or surrounding the Site or any acts or omissions of any persons concerning the Site. Hecla's production of documents does not constitute an admission that the contents of the documents provided are true, correct, or accurate, nor does it constitute an admission that the documents are authentic for the purposes of admissibility in any judicial or administrative proceeding. These responses do not constitute an admission by Hecla that it or anyone employed by it, or its parents, predecessors or subsidiaries, generated, transported, or disposed of any hazardous wastes or substances, pollutants, or contaminants anywhere at the Site.

Based upon the information available to it, Hecla responds as follows:

I. General Objections

1. Hecla objects to the requests to the extent that they are overbroad, vague and unduly burdensome.
2. Hecla objects to the requests to the extent that they seek information or documents that are protected under the attorney-client privilege, the work product doctrine or any other available privilege or protection.
3. Hecla objects to the requests to the extent that they call for legal conclusions.
4. Hecla objects to the requests to the extent that they attempt to impose upon Hecla an obligation to obtain information from third persons where the law does not impose such an obligation.
5. Hecla objects to the requests to the extent that they seek information beyond the scope permitted by 42 U.S.C. § 9604(e). Under section 9604(e), the President may only request information relating to (1) the identification, nature, and quantity of materials which have been or are generated, treated, stored, or disposed of at a facility or transported to a facility; (2) the nature or extent of a release or threatened release of a hazardous substance or pollutant or contaminant at or from a facility; or (3) the ability to pay for or perform a cleanup. *See* 42 U.S.C. § 9604(e).

II. Objections to Instructions and Definitions

1. Hecla objects to Instruction No. 4, requiring that each document produced indicate the number of the question to which it relates, as vague and unduly burdensome. The documents Hecla is providing with these responses may be relevant to several questions. EPA is in the best position to evaluate the relevance of each document in regard to its own questions.
2. Hecla objects to EPA's definition of "Hecla" as overly broad, vague, unduly burdensome and ambiguous.

3. Hecla objects to EPA's failure to define the Gilt Edge Mine Site.
4. Hecla objects to EPA's definitions of "document" and "documents" as overly broad and burdensome, and to the extent they may require Hecla to obtain or identify information not in its possession, custody or control. Hecla additionally objects to these definitions to the extent that they require Hecla to provide information outside the scope of 42 U.S.C. § 9604(e).

III. Responses to Specific Requests

Subject to and without waiving any of its General Objections and Objections to Instructions and Definitions, Hecla responds to EPA's individual requests as follows:

Request No. 1:

Identify the person(s) answering these Questions on behalf of Respondent:

Hecla's Response to Request No. 1:

James Sabala

Request No. 2:

For each and every Question contained herein, identify all persons consulted in the preparation of the answer.

Hecla's Response to Request No. 2:

Hecla objects to Request No. 2 on the basis that it seeks information outside the scope of 42 U.S.C. § 9604(e). Without waiving any of its objections, Hecla states that the following individuals were consulted in the preparation of these answers. Not each individual was consulted with respect to each answer.

**Michael Clary
Joseph G. Middleton
Alan MacPhee**

Request No. 3:

For each and every Question contained herein, identify documents consulted, examined, or referred to in the preparation of the answer or that contain information responsive to the Question and provide accurate copies of all such documents.

Hecla's Response to Request No. 3:

Hecla objects to Request No. 3 on the basis that it is overly broad, unduly burdensome, and seeks information which is outside the scope of 42 U.S.C. § 9604(e). Without waiving any of its objections, Hecla states that it is providing copies of documents containing information it has thus far identified as responsive to EPA's Request. EPA is best able to determine which particular documents it believes are relevant to its questions.

Request No. 4:

Has Respondent or any affiliated entity including, without limitation, Hecla Limited made any insurance claims under policies issued to CoCa Mines? If so, please provide copies of all documents including correspondence with insurers and insurance policies relating to these claims.

Hecla's Response to Request No. 4:

Hecla objects to Request No. 4 as overly broad, vague and unduly burdensome. Hecla additionally objects to Request No. 4 because it seeks information outside the scope of 42 U.S.C. § 9604(e), and imposes an obligation on Hecla to obtain information from third parties. Hecla specifically objects to the term "affiliated entity" as undefined, and potentially so broad as to be meaningless. Without waiving any of its objections, Hecla states that it has treated Request No. 4 as a request for information regarding insurance claims related to the Gilt Edge Site only. Hecla is unaware of any insurance claims made by Hecla or Hecla Limited with respect to the Site. Hecla is aware that its affiliate, CoCa Mines, Inc. has provided notice to certain insurance carriers and demanded coverage for potential liabilities at the Gilt Edge Site pursuant to several insurance policies. To the best of Hecla's knowledge, those insurance policies and relevant correspondence with the insurance carriers were provided to EPA on January 24, 2011, when CoCa supplemented its response to EPA's December 9, 2009 request for information pursuant to 42 U.S.C. §9604(e).

Request No. 5:

Has Respondent or any affiliated entity including, without limitation, Hecla Limited made any insurance claims under policies issued to Congdon and Carey Ltd 5? If so, please provide copies of all documents including correspondence with insurers and insurance policies relating to these claims.

Hecla's Response to Request No. 5:

Hecla objects to Request No. 5 as overly broad, vague and unduly burdensome. Hecla additionally objects to Request No. 5 because it seeks information outside the scope of 42 U.S.C. § 9604(e), and imposes an obligation on Hecla to obtain information from third parties. Hecla specifically objects to the term "affiliated entity" as undefined, and potentially so broad as to be meaningless. Without waiving any of its objections, Hecla states that it is unaware of any claims made pursuant to insurance policies issued to "Congdon and Carey Ltd

5." Hecla understands that its affiliate, CoCa Mines, Inc. has made demands for coverage from certain insurance carriers as set forth in its response to Request No. 4, above. Hecla understands that two of those policies were issued to "Congdon & Carey."

Request No. 6:

Describe the corporate histories of Hecla Mining Company, Hecla Limited, and CoCa Mines. Provide copies of all documents relating to Respondent's acquisition of Coca Mines including without limitation all contracts, agreements, assignments, deeds, bills of sale, corporate resolutions, and meeting minutes of Respondent's board of directors, executive committee, finance committee, management committee and all other committees or management meetings.

Hecla's Response to Request No. 6:

Hecla objects to Request No. 6 as vague, overly broad and unduly burdensome. Hecla further objects to Request No. 6 because it seeks information outside the scope of 42 U.S.C. § 9604(e), and attempts to impose a burden upon Hecla to obtain information from third parties. Without waiving any of its objections, Hecla states that Hecla Mining Company was first incorporated in 1891 in Idaho. In 1983, Hecla Mining Company incorporated in Delaware. Hecla Mining Company changed its name to Hecla Limited effective November 8, 2006. Effective December 31, 1982, CoCa Mines, Inc., a Delaware corporation, St. Mary Parish Land Company, a Delaware corporation, and Congdon & Carey, Ltd. 5, a Colorado limited partnership, formed a new corporation, CoCa Mines, Inc., a Colorado corporation. In 1986, CoCa merged with and into MECO, a Colorado corporation, and MECO then changed its name to CoCa Mines, Inc. Effective June 26, 1991, CoCa Mines, Inc. merged with CM Acquisition Company, a wholly-owned subsidiary of Hecla Mining Company (now Hecla Limited), and CM Acquisition Company changed its name to CoCa Mines, Inc. Documents Hecla has located that are responsive to Request No. 6 are enclosed.

Request No. 7:

Identify all transfers of any asset or liability among Hecla Mining Company, Hecla Limited, and Coca Mines including the date and purpose of each such transfer and a description of the asset and/or liability involved. Provide copies of all documents regarding such assignments or transfers.

Hecla's Response to Request No. 7:

Hecla objects to Request No. 7 on the basis that it is vague, ambiguous, overly broad and unduly burdensome. Hecla specifically objects to the phrase "transfers of any asset or liability" as vague, ambiguous and undefined. Hecla additionally objects to Request No. 7 because it seeks information outside the scope of 42 U.S.C. § 9604(e). Hecla further objects to Request No. 7 to the extent it seeks information protected by the attorney-client privilege and because it requires Hecla to form legal conclusions. Without waiving any of its objections, Hecla states that it is unaware of any transfers of liabilities among Hecla Mining Company, Hecla Limited and CoCa Mines. With the exception of the Grouse Creek property, Hecla is unaware of any transfer of assets among Hecla Mining Company, Hecla Limited and

CoCa Mines. Hecla is producing, with these responses, documents it has located that are responsive to Request No. 7.

Request No. 8:

Identify all transfers of any asset or liability among Hecla Mining Company, Hecla Limited, and Congdon and Carey Ltd 5 including the date and purpose of each such transfer and a description of the asset and/or liability involved. Provide copies of all documents regarding such assignments or transfers.

Hecla's Response to Request No. 8:

Hecla objects to Request No. 8 on the basis that it is vague, ambiguous, overly broad and unduly burdensome. Hecla additionally objects to Request No. 8 because it seeks information outside the scope of 42 U.S.C. § 9604(e), and attempts to impose an obligation on Hecla to obtain information from third parties. In addition, Hecla objects to Request No. 8 to the extent it requires Hecla to form any legal conclusions or divulge information subject to the attorney client privilege. Without waiving any of its objections, Hecla states that it is unaware of any transfers of assets or liabilities among Hecla Mining Company, Hecla Limited and Congdon and Carey Ltd. 5.

Request No. 9:

Provide copies of all documents regarding the assumption of the liabilities either express or implied, of CoCa Mines.

Hecla's Response to Request No. 9:

Hecla objects to Request No. 9 on the basis that the terms "assumption of liabilities" and "express or implied" are so vague and ambiguous as to preclude any substantive response. Hecla additionally objects to Request No. 9 to the extent it seeks information outside the scope of 42 U.S.C. § 9604(e), and to the extent it attempts to impose an obligation on Hecla to obtain information from third parties. Hecla further objects to Request No. 9 to the extent it requires Hecla to form any legal conclusions or divulge information subject to the attorney client privilege.

Request No. 10:

Identify any and all liabilities of Coca Mines that were resolved by Hecla Mining Company or Hecla Limited. Provide all documents regarding such resolution.

Hecla's Response to Request No. 10:

Hecla objects to Request No. 10 on the basis that the terms "liabilities" and "resolved" are so vague and ambiguous as to preclude any substantive response. Hecla additionally objects to Request No. 10 to the extent it seeks information outside the scope of 42 U.S.C. § 9604(e), or attempts to impose an obligation on Hecla to obtain information from third

parties. Hecla also objects to Request No. 10 to the extent it requires Hecla to form any legal conclusions or divulge information subject to the attorney client privilege.

Request No. 11:

Provide copies of all documents regarding the assumption of the liabilities either express or implied, of Congdon and Carey Ltd 5.

Hecla's Response to Request No. 11:

Hecla objects to Request No. 11 on the basis that the terms "assumption of liabilities," and "express or implied" are so vague and ambiguous as to preclude any substantive response. Hecla additionally objects to Request No. 11 to the extent it seeks information outside the scope of 42 U.S.C. § 9604(e), and to the extent it attempts to impose an obligation on Hecla to obtain information from third parties. Hecla further objects to Request No. 11 to the extent it requires Hecla to form any legal conclusions or divulge information subject to the attorney client privilege.

Request No. 12:

Identify any and all liabilities of Congdon and Carey Ltd 5 that were resolved by Hecla Mining Company or Hecla Limited. Provide all documents regarding such resolution.

Hecla's Response to Request No. 12:

Hecla objects to Request No. 12 on the basis that the terms "liabilities" and "resolved" are so vague and ambiguous as to preclude any substantive response. Hecla additionally objects to Request No. 12 to the extent it seeks information outside the scope of 42 U.S.C. § 9604(e), and to the extent it attempts to impose an obligation on Hecla to obtain information from third parties. Hecla further objects to Request No. 12 to the extent it requires Hecla to form any legal conclusions or divulge information subject to the attorney client privilege.

Request No. 13:

Provide copies of all documents relating to the transfer of the Grouse Creek Mine in Custer County, Idaho, from Coca Mines to Hecla Mining Company including, without limitation, all contracts, agreements, assignments, certificates of merger, deeds, bills of sale, settlement sheets, title insurance, corporate resolutions, and meeting minutes of Respondent's board of directors, executive committee, finance committee, management committee and all other committees or management meetings.

Hecla's Response to Request No. 13:

Hecla objects to Request No. 13 on the basis that it is overly broad and unduly burdensome, and seeks information outside the scope of 42 U.S.C. § 9604(e).

Without waiving any of its objections, Hecla states that it is providing, with these responses, documents it has located that are responsive to Request No. 13.

Request No. 14:

Describe the consideration or other compensation given to Coca Mines in exchange for the transfer of the Grouse Creek Mine to Hecla Mining Company. Provide copies of all documents evidencing such transfer.

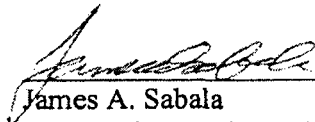
Hecla's Response to Request No. 14:

Hecla objects to Request No. 14 on the basis that the terms "consideration" and "compensation" are undefined, vague and ambiguous. Without waiving any of its objections, Hecla states that the entity incorporated as Hecla Mining Company at the time of the merger between CM Acquisition Company and CoCa contributed capital to CoCa through a stock purchase. CoCa became a wholly owned subsidiary of Hecla as a result of this stock purchase. In association with the merger between Hecla and CM Acquisition Company, Hecla provided a short-term loan to CoCa which was secured by a mortgage in the Grouse Creek property granted by CoCa and its now defunct subsidiary, Grouse Creek Mining, Inc. In addition, when CoCa transferred its interest in the Grouse Creek property, Hecla reduced the balance in the "investment in subsidiary account." Substantial operations at the Grouse Creek Mine were halted after 1995, when the Grouse Creek deposit proved uneconomic to mine. Hecla's Consolidated Financial Statement for 1995 reflects a \$97 million reduction in value for the Grouse Creek property. Hecla is providing, with these responses, the documents it has located which are responsive to Request No. 14.

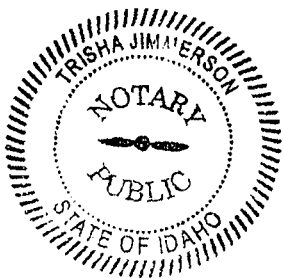
**NOTARIZED CERTIFICATE
GILT EDGE MINE SITE**

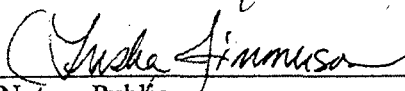
I, James A. Sabala, hereby state:

1. I am the person authorized by Hecla Mining Company ("Hecla") to respond to the Environmental Protection Agency's (EPA's) request for information concerning the Gilt Edge Mine Site located in Lawrence County, South Dakota (the "Request").
2. Hecla has made a good faith attempt to search for documents and information relevant to the Request.
3. Subject to the Objections and limitations stated above, I hereby certify that to the best of my knowledge, the attached response to EPA's Request is complete, and contains information responsive to the Request which Hecla has located to-date.
4. Hecla Mining Company, reserves the right to supplement this response if information or documents not currently known or available to Hecla should later become known or available.


James A. Sabala
Senior Vice President & CFO
Hecla Mining Company

Subscribed and sworn to before me this 26 day of May, 2011.




Notary Public
Residing at Almol, Idaho
My Commission Expires: 9/20/2013